

CITY AUDITOR'S REPORT

MONDAY, AUGUST 12, 2013

TRAFFIC FINES MOTOR CODES 2004-2013- 2ND QUARTER

THE FOLLOWING CHART ILLUSTRATES THE TRAFFIC FINES-MOTOR CODES COLLECTED THROUGH THE READING PARKING AUTHORITY FOR THE YEARS 2004-2013-2ND QUARTER. THESE FINES ARE FROM READING POLICE DEPARTMENT ISSUED CITATIONS PAID AT THE READING PARKING AUTHORITY. IN THE SECOND QUARTER OF 2013, WE RECEIVED \$93,265. THE YEAR TO DATE RECEIPTS ARE \$224,396. THE 2013 BUDGET LISTS \$325,000 AS EXPECTED REVENUE.

YEAR	BUDGET	ACTUAL	VARIANCE
2004	\$325,000	\$303,045	<\$21,955>
2005	\$325,000	\$404,938	\$79,938
2006	\$360,000	\$492,120	\$132,120
2007	\$470,000	\$361,841	<\$108,159>
2008	\$470,000	\$487,805	\$17,805
2009	\$490,000	\$294,010	<195,990>
2010	\$350,000	\$366,027	\$16,027
2011	\$315,000	\$337,182	\$22,182
2012	\$315,000	\$343,502	\$28,502
2013-2 ND Q.	\$325,000	\$224,396	

2013 CABLE FRANCHISE FEES-2nd QUARTER

ON 08/07/13, THE CITY RECEIVED \$193,081.50 FROM COMCAST CABLE FOR THE FRANCHISE FEES FOR THE 2nd QUARTER OF 2013. THE YEAR TO DATE REVENUE IS NOW \$373,305.79. THE 2013 BUDGET LISTS \$725,000 AS ANNUAL CABLE FRANCHISE FEES REVENUE.

THE FOLLOWING CHART LISTS CABLE FRANCHISE FEES FROM 1997 – 2013-2nd Q.:

YEAR	BUDGET	ACTUAL	VARIANCE
1997	\$564,000	\$586,350.73	\$22,350.73
1998	\$615,000	\$772,978.02	\$157,978.02
1999	\$645,000	\$670,813.60	\$25,813.60
2000	\$680,000	\$701,370.94	\$21,370.94
2001	\$700,000	\$667,645.58	<\$32,354.42>
2002	\$700,000	\$724,969.36	\$24,969.36
2003	\$720,000	\$739,601.21	\$19,601.21
2004	\$750,000	\$732,936.04	<\$17,063.96>
2005	\$750,000	\$659,329.68	<\$90,670.32>
2006	\$770,000	\$684,295.97	<\$85,704.03>
2007	\$700,000	\$673,827.84	<\$26,172.16>
2008	\$700,000	\$670,281.50	<\$29,718.50>
2009	\$700,000	\$716,971.61	\$16,971.61
2010	\$700,000	\$704,278.99	\$4,278.99
2011	\$705,000	\$704,540.44	<\$459.56>
2012	\$705,000	\$720,253.68	\$15,253.68
2013-2 ND Q	\$725,000	\$373,305.79	

NOTE: 1998 INCLUDES FIVE (5) QUARTERS OF REVENUE FROM AUDITOR'S ADJUSTMENT

Real Estate Taxes Collected 2011-2013 (Through 6/30/2013)

The following chart illustrates City Real Estate Taxes Collected in 2011 through July 30, 2013 and Budgeted Amounts from 2011-2013.

Several Items of Note:

- Tax Rates- (2011-12) 14.334 mills, (2013) 15.689 mills.
- In 2011, **\$356,943 more** was collected than budgeted. In 2012, **\$210,502 less** was collected than budgeted.
- Current taxes collected 2012 were **\$312,677 less** than current 2011 taxes
- Prior taxes collected in 2012 were **\$262,648 less** than prior 2011 taxes
- Penalty & Interest in 2012 was **\$99,471 more** than in 2011. (Penalty & Interest includes all Penalty & Interest collected for all taxes at the City of Reading PA.)

	2013		2012		2011	
Real Estate Taxes	Budget	Act 7/31 YTD	Budget	Actual	Budget	Actual
Discount	-300,000	-320,190	-215,000	-296,929	-215,000	-290,462
CY	19,960,975	18,093,328	18,126,332	17,975,321	17,841,208	18,287,998
PY	1,000,000	876,384	1,000,000	886,542	1,200,000	1,149,190
P&I	200,000	176,433	140,000	275,896	140,000	176,425
Total	20,860,975	18,825,955	19,051,332	18,840,830	18,966,208	19,323,151

Real Estate Taxes Comparison from January 1 to June 30

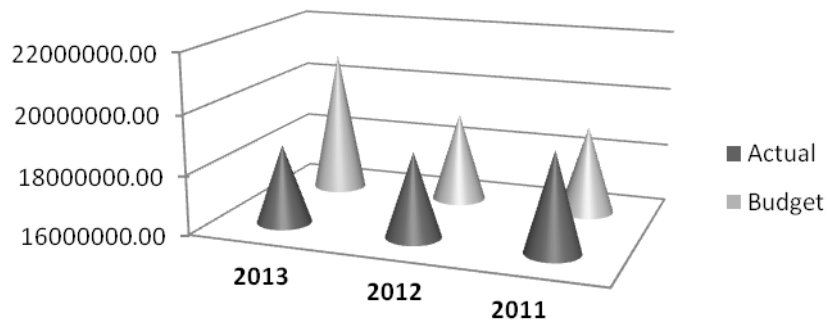
	2013		2012		2011	
Real Estate Tax	Budget	Actual-6/30	Budget	Actual-6/30	Budget	Actual-6/30
Discount	-300,000	-320,163	-215,000	-296,279	-215,000	-290,462
CY	19,960,975	16,923,205	18,126,332	15,717,385	17,841,208	15,492,745
PY	1,000,000	531,218	1,000,000	592,105	1,200,000	827,353
P&I	200,000	106,950	140,000	99,137	140,000	103,588
Total	20,860,975	17,241,211	19,051,332	16,112,348	18,966,208	16,133,224

The above mentioned chart illustrates city real estate taxes collected as of June 30 (2011-2013) and budgeted amounts from 2011-2013.

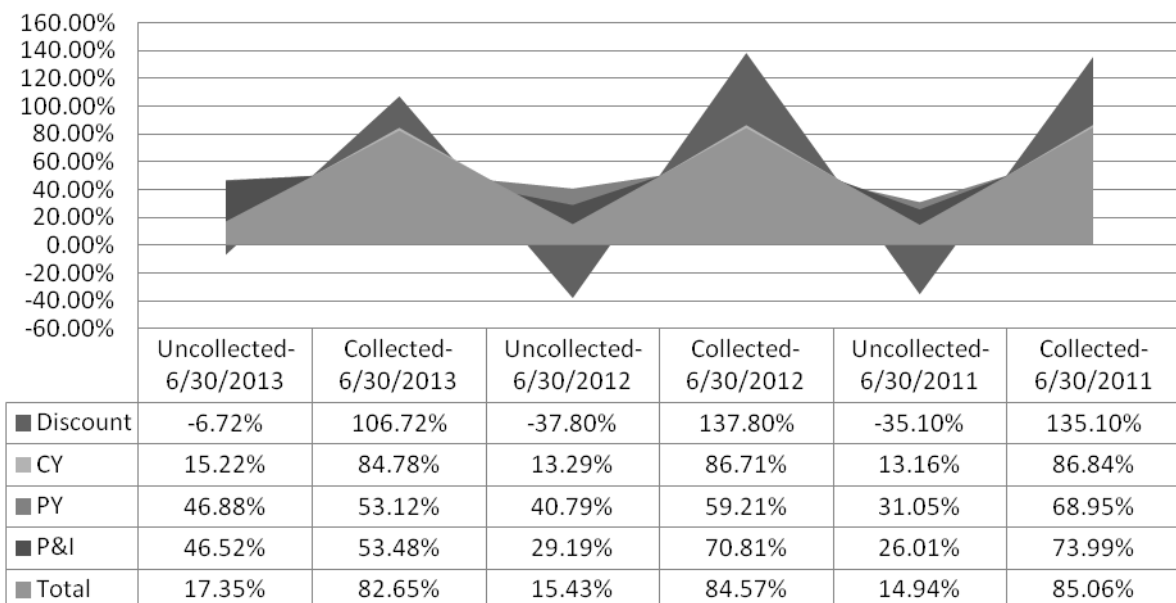
Several Items of Note:

- We are at an **84.8%** Current Budgetary Collection Rate as of 6/30/2013 compared to an **86.7%** rate as of 6/30/2012, and **86.8%** as of 6/30/11.
- As of 6/30/2013, Current Year collections are **\$1,205,820.00 more** than in 2012.
- As of 6/30/2013, Prior Year collections are **\$60,887.00 less** than in 2012
- As of 6/30/2013, Penalty & Interest is **\$7,813.00 more** than in 2012.
- As of 6/30/2013, Discounts are **\$23,884.00 more** than in 2012.
- As of 6/30/2013, Total Collections are **\$1,128,863.00 more** than in 2012

Total Real Estate Taxes Collected Actual vs. Budget 2011-2013



Real Estate Tax Comparison January 1 to June 30 2011-2013



Analysis:

The budget has increased since 2011 due to a tax increase of 1.355 mills in 2013. The discount period ends on April 30; the face period ends on June 30; and the penalty period begins on July 1.

The first graph above is titled Total Real Estate Tax Actual vs. Budget 2011-2013. In 2011, real estate taxes were above the budgeted amount by \$356,943 (101.88%). In 2012, there was a total uncollected amount of 1.10%. As of July 31, 2013, the City of Reading has received \$18,825,956 in Real Estate Tax with a budgeted amount of \$19,960,975. As a result, there is a total collection rate of 90.2% as of July 31, 2013.

The second graph titled Real Estate Tax Comparison January 1 to June 30, 2011-2013 illustrates a comparison based on the first 6 months of the year on a percentage basis. Collection rates have been decreasing during this the face value time period for Real Estate Tax due. For current year taxes, in 2011, the City of Reading collected 86.84%; in 2012 86.71%; and in 2013 84.78%. There is a loss of 2.06% in current year collected Real Estate Tax. Also there is a loss for prior year collection rates of 15.83% from 2011-2013.